

Congress of the United States

Washington, DC 20515

April 15, 2005

The Honorable Judd Gregg

Chairman, Senate Committee on Budget
624 Dirksen Senate Office Building
Washington, DC 20510

The Honorable Kent Conrad

Ranking Member, Senate Committee on Budget
624 Dirksen Senate Office Building
Washington, DC 20510

The Honorable Jim Nussle

Chairman, House Committee on Budget
309 Cannon House Office Building
Washington, DC 20515

The Honorable John Spratt

Ranking Member, House Committee on Budget
B-71 Cannon House Office Building
Washington, DC 20515

Dear Colleagues:

As you continue to negotiate the Fiscal Year 2006 Budget, as New Democrat Coalition members we strongly urge your support for preserving the Health Information Technology Reserve Fund, as passed in the Senate Budget Resolution, which will help provide incentives for health information technology adoption.

Our healthcare system is plagued by rising costs and declining quality of care. Investing in health care information technology is a solution we can take to improve the quality of care, improve effectiveness and efficiency, and reduce overall health care costs. However, the use of information technology in health care lags significantly behind information technology in every other sector of our society. This lack of health information technology at the point of care is depriving our doctors and nurses of the opportunity to provide the highest quality of care to patients and is a source of enormous lost productivity.

Inadequate health information technology has resulted in medical errors, misdiagnoses and needless test duplications that increases costs and reduces the overall quality of health care. Last year alone, America's healthcare providers spent \$300 billion administering the wrong treatments to patients due to errors in record keeping. In hospitals, these errors led to the death of over 50,000 Americans. In spite of providing the most advanced medical care in the world, America's healthcare system is dangerously reliant on paper-based prescription and record keeping techniques that are expensive, inefficient, and even fatal.

In response to the growing need for modernizing our health care system, the Senate added a Reserve fund for Health Information Technology in the Senate passed version of the Budget Resolution. This budget-neutral reserve fund permits committees of jurisdiction to report legislation that —

- (1) Provides incentives or other support for adoption of modern information technology to improve quality in health care; and

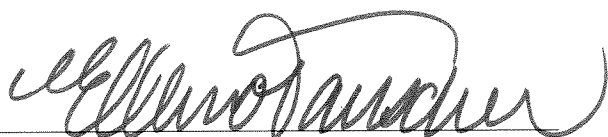
(2) Provides for performance-based payments that are based upon accepted clinical performance measures that improve quality in healthcare if such legislation is deficit neutral for the period of fiscal years 2006 through 2010.

With this reserve fund in place, Congress can better proceed in providing doctors and hospitals the incentives they need to modernize their record-keeping and prescription drug services, while also helping to eliminate redundant and unnecessary cost contributors.

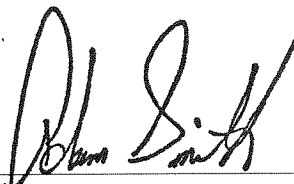
We can help create a better health care system in America, while also alleviating the growing financial burden on taxpayers and employers, but we need to act now. Maintaining the Health Information Technology Reserve Fund in the in the final version of the FY06 Budget Resolution is an important step in the process of bringing better health care services to Americans.

Thank you for your continued leadership.

Sincerely,



Ellen Tauscher
New Democrat Coalition



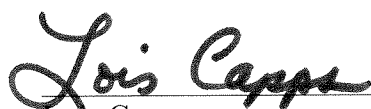
Adam Smith
New Democrat Coalition



Artur Davis
New Democrat Coalition



Ron Kind
New Democrat Coalition



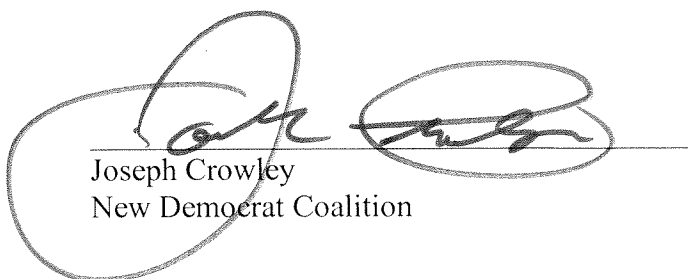
Lois Capps
New Democrat Coalition



Russ Carnahan
New Democrat Coalition



Ben Chandler
New Democrat Coalition



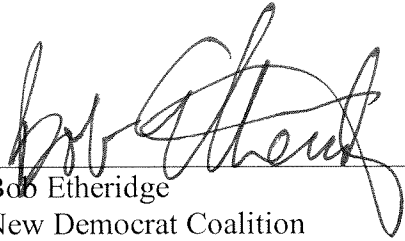
Joseph Crowley
New Democrat Coalition



Jim Davis
New Democrat Coalition



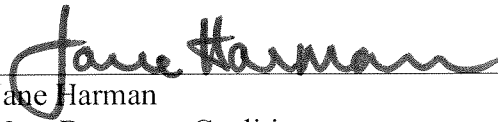
Rahm Emanuel
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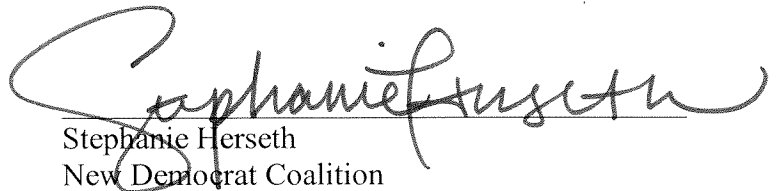
Bob Etheridge
New Democrat Coalition



Harold Ford Jr.
New Democrat Coalition



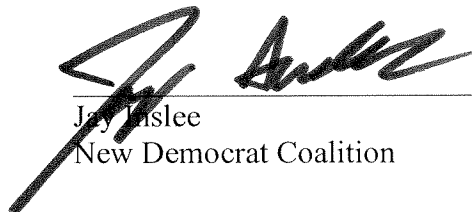
Jane Harman
New Democrat Coalition



Stephanie Herseth
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Darlene Hooley
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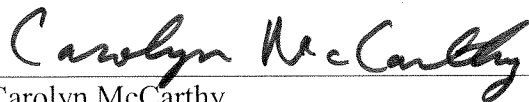
Jay Inslee
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Steve Israel
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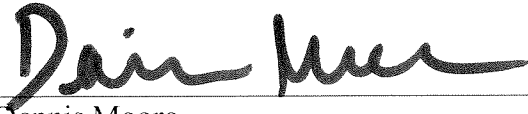
Rick Larsen
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Carolyn McCarthy
New Democrat Coalition




Mike McIntyre
New Democrat Coalition



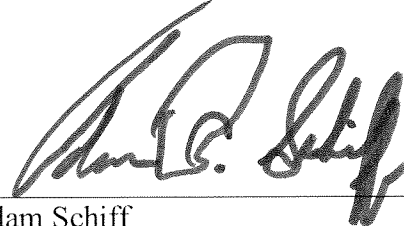
Dennis Moore
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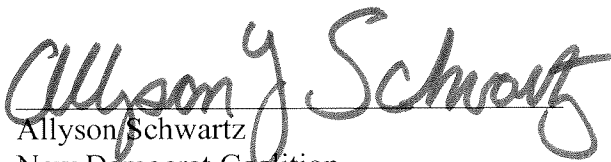
Jim Moran
New Democrat Coalition



David Price
New Democrat Coalition



Adam Schiff
New Democrat Coalition



Allyson Schwartz
New Democrat Coalition



Tom Udall
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Ed Case
New Democrat Coalition



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